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INFO RHEHNSC/WHITE HOUSE NATIONAL SECURITY COUNCIL WASHINGTON DC
RHMFISS/HQ USAFRICOM STUTTGART GE
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E.O. 12958: N/A
TAGS: [PREL](#) [PGOV](#) [ETRD](#) [EAID](#) [CH](#) [NI](#)
SUBJECT: Chinese Engagement in Nigeria

REF: STATE 10152; 09 ABUJA 2170; 09 ABUJA 2003; 09 LAGOS 271

¶1. (SBU) Per ref A, please find post input for use in the March 4
AF-led U.S.-China sub-regional dialogue.

Overall Chinese Engagement

¶2. (U) Please review reftels B-D for more extensive reporting on
this topic.

¶3. (U) On January 15, Chinese Ambassador to Nigeria Xu Jianguo
told the Financial Times that "China and Nigeria have been
cooperating in areas like agriculture, telecommunications,
infrastructure, manufacture, energy, high-tech and so on. Closer
economic contacts are in the interest of the two countries." When
asked about the oil and gas cooperation between China and Nigeria,
Xu said, "Nigeria is a major oil-producer in Africa. China
encourages the Chinese oil companies to seek cooperation with
Nigeria based on the principle of mutual benefit. The energy
cooperation between China and Nigeria is currently at a starting
stage," adding, "but there is a huge potential."

¶4. (U) Chinese Embassy's Economic and Commercial Counselor, Mr.
Rong Yanson, told Nigerian press during a February visit to Kaduna
that China's investments in Nigeria were \$7.24 billion in 2009 and
covered such areas as petroleum, iron and steel, manufacturing,
agriculture, fisheries and pharmaceuticals. Rong said that China
had "excellent bilateral relations with Nigeria, adding that
efforts would be made to strengthen the relations to the benefit of
both countries." The press quoted Rong as stating, "The [Nigerian]
Government has provided an enabling environment for Chinese

companies to operate in the country." He continued, "The Chinese enterprises have made great contributions to Nigeria's economy and they have enjoyed a sound business relationship with Nigerian firms." Rong was in the northern city to assess development of Kaduna's Millennium City and its attractiveness to foreign investors, commended the Kaduna State Government for supporting foreign companies operating in the state, and noted that six Chinese firms had signed trade co-operation agreements with the Kaduna State government. "There are a lot of opportunities in Kaduna, such as the Millennium City infrastructure, construction projects, water supply and hydro-based power projects," the press quoted Rong. He congratulated the state government for its efforts at developing the local economy through trade ties with China and assured the press that the Chinese government would collaborate with the Kaduna Chambers of Commerce and Industry in capacity building.

¶5. (U) Nigeria-China Friendship Association (NICAF) Founder/Chairman Ambassador Victor Chibundu said the Chinese People's Association for Friendship with Foreign Countries (CPAFFC), including local government officials and corporate bodies, would pay an official visit to Nigeria from April 19-21 to boost bilateral and diplomatic ties. Founded in 1954, the Chinese People's Association for Friendship with Foreign Countries is a parastatal of the People's Republic of China government responsible for "promoting friendship and mutual understanding between Chinese and other people all over the world." The association, according to Chibundu, was the link between Nigeria and China before and until the establishment of diplomatic relations between both countries in February 1971.

No Examples of U.S.-China Collaboration

¶6. (U) The Mission's USAID Program Office, which is the point of contact for USAID on donor coordination, is not aware of any examples of U.S.-China on-the-ground collaboration in development activities in Nigeria.

Low Potential for U.S.-China Collaboration

¶7. (U) Donor countries resident in Nigeria follow the Country Partnership Strategy as the current framework for collaboration with other donors, but China does not participate. Another forum for donor coordination is the Heads of Donor Agencies, but China has not been represented to date.

¶8. (SBU) Comment: The Mission's primary goals for Nigeria under its four Mission Strategic Plan (MSP) Pillars include: Governing Justly and Democratically (creating an environment conducive to fair, free and credible elections; peaceful and constitutional presidential succession); Investing in People; Economic Growth and Trade (combating corruption); and, Peace and Security (which includes the Niger Delta). The nature of these goals limits the potential areas of collaboration between the U.S. and the Chinese in Nigeria. End Comment.

19. (U) The Embassy coordinated this telegram with ConGen Lagos.
SANDERS